

MAZUCHOWSKI CROSS SAGE

1 A Yes.

2 Q In your prefiled testimony on line 9 at page 11, you
3 refer to the Wilderness tap and also the Consumers
4 valve -- you use the term "at M-72." Where on your
5 schematic could you place for me the Wilderness tap?

6 A Where on page 9 did I talk about Wilderness?

7 Q I'm sorry, it's page 11, lines 9 and 10. You're
8 proposing access to Great Lakes at Wilderness, at the
9 Wilderness tap?

10 A Yes.

11 Q Now, all I would like to do is, just for my
12 edification, is tell me or give me a description on
13 5-210 where that tap would be?

14 A It would be approximately seven miles north of the
15 Goose Creek box that's depicted there.

16 Q All right. And if you would, sir, now also -- as
17 related to the Consumers' valve site, I assume that's
18 right at M-72?

19 A Yes, it is.

20 Q Okay. Now, the terms "tap" and "valve sites" and
21 "receipt points" have been used almost interchangeably
22 at times, and I want to make sure, when you use the
23 term "Wilderness tap," what do you include in the
24 tap?

25 A Well, I'm including -- at the Wilderness tap right

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1 now, there's a meter that's sufficient size to flow
2 50 million a day of gas, and I'm projecting to --
3 I've added costs to increase that by about 100
4 million a day, so a total would be at that meter of
5 150 million a day.

6 And that cost is already rolled into your proposed
7 rate of 7.3 cents; am I correct?

8 Yes.

9 Now, is there presently a valve site at M-721

10 Yes.

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1 Q Are you proposing any kind of an increase in that, as
2 far as size?

3 A Just -- I'm proposing that a meter would have to be
4 installed there, in addition to what's there -- you
5 know, incremental metering would be necessary to move
6 the gas I have projected. And I have costed that in
7 my proposal.

8 Q Okay, thank you. On Page 12 of your prefiled
9 testimony, Lines 1 through 4.

10 A Yes.

11 Q Is your conclusion that after seven years there will
12 not be any Antrim gas transported on the wet header
13 based on your estimate of -- your estimate of
14 declining reserves, Antrim reserves?

15 MR. O'CONNELL: I'm going to
16 object, Your Honor. It's been asked and answered in
17 a previous question from Mr. Sage. The witness said
18 that after seven years if things change, there could
19 be some gas on the header, but that was just one
20 scenario that he put down.

21 MR. SAGE: Your Honor, I know I
22 asked him earlier on the exhibit as to why he had
23 zero at the Year 8. And my understanding was is
24 that -- strike that, I'll withdraw my question. I do
25 understand it. Thank you, Your Honor.

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JUDGE MACE: Good.

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(BY MR. SAGE, CONTINUING) On Page 12 and Page 13, Lines 23 through 26 and 1 through 3, you discuss the difference between the proven reserves -- at least in part -- proven reserves between MichCon and NER. Did you ever arrive at a conclusion why there was a difference of -- approximately an 804 Bcf difference?

No.

Do you know whether or not NER took into consideration any proven reserves in Alcona, Alpena or Oscoda County?

I think they took some proven in Oscoda.

Okay. But as far as you know --

As far as the other two counties, I'm not sure.

Okay. When you use the term "proven reserves," what do you include in that?

A definition of "proved reserves?"

Yes.

I would include reserves that are shown to be productive and -- or have the capability to produce. It would be similar to what the SPE definition is that was referred to by Mr. Bomar.

Okay, let me ask you this: As relates to wells that have been drilled and shut in because of a lack of, you know, pipeline facilities, would you include

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1 those wells as proven reserves?

2 A If they had produced gas, I would include them in
3 terms of the gas that they've actually produced.

4 Q Okay. My question presupposed the fact there was no
5 pipeline. Let me do it one more time, make sure that
6 we're communicating.

7 If there were -- and I'll give
8 you a number of wells. If there were 20 wells
9 drilled in one area and shut in -- and tested and
10 shut in because of the lack of a pipeline facility
11 available, would you include those in your estimate
12 of proven reserves?

13 A Only if they could be shown to produce gas.

14 Q Okay. In my example, how -- or would you consider
15 those -- or how would they be, in your opinion, shown
16 to produce gas, to the extent there's no pipeline
17 available?

18 A Well, they would have had to be tested, you know, for
19 a certain time period, and the gas would have had to
20 have been flared.

21 3 Okay. In the instance of Antrim wells, when there is
22 no pipeline facility am I correct that they are
23 tested, in many instances?

24 A Antrim wells are tested before they come on line.

25 Q Okay. Now to the extent that, again, the 20 wells

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1 I'm referring to were actually drilled and tested
2 like we normally do for an Antrim well but were not
3 connected to a pipeline, I'm trying to determine
4 whether you would include that.

5 Not if they're tested like normally they are tested
6 for Antrim wells. If they just test them to show
7 water production and infer that gas production would
8 be coming once you dewatered it, I wouldn't consider
9 that to be proved *reserves*.

10 Okay. Now, do you know how long it takes to dewater
11 an Antrim well, in normal circumstances?

12 Roughly.

13 Does it take more than six months?

14 Around six months and greater.

15 Right. So to the extent that someone drilled wells
16 and -- well, strike that.

17 When you drill a well, an Antrim,
18 and you test it, it appears from your earlier answer
19 you actually will produce water. But would you also
20 produce gas?

21 The better wells do produce gas, yes.

22 Okay. And then as it detwaters, it increases in the
23 volume of gas?

24 Yes.

25 Okay. And your testimony is, though, you would not

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1 include those wells until they've actually been
2 producing.

3 A Well it just depends, you know. If there's a good
4 field and there's offsets to that field, direct
5 offsets, you know, 40 acres away, you know, we may
6 include those as proven reserves. But if they're,
7 you know, a mile or so away or in the next county and
8 they show that they test water, I don't think we're
9 going to include them as proved reserves.

10 Q Okay, I understand you test water. But my question
11 in this area is they would also be testing gas at the
12 same time; am I correct? When you do the initial
13 test on an Antrim well, normally you get both gas and
14 water, but a higher volume of water. Am I correct?

15 MR. ERICKSON: Your Honor, I'm
16 going to object to the form of the question. It's
17 argumentative. Mr. Sage has been going around and
18 around with this thing, and apparently he and Mr.
19 Mazuchowski have a disagreement.

20 But I think the question has
21 essentially been asked and answered, and he's just
22 simply arguing with Mr. Mazuchowski in an attempt to
23 get him to change his view. But Mr. Mazuchowski has
24 fully explained all the details. He said he would
25 accept it as proved to the extent it produces gas.

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1 He wouldn't accept it to the extent it wasn't.

2 I think the area has been fully
3 covered, and this is both asked and answered, and
4 argumentative.

5 MR. SAGE: Your Honor, I dispute
6 both of those. It has not been -- it's not
7 argumentative, and I think the witness has answered
8 part of question. What I'm trying to determine right
9 now, when he uses the term -- when I asked him about
10 the Antrim, he says they produce water. My question
11 was do they also produce gas initially, and that's
12 all I want to know.

13 And I think everybody in this
14 room knows it does produce gas, and that's all I want
15 on the record.

16 JUDGE MACE: Well I think it's
17 already on the record, frankly, and I'm going to
18 sustain the objection.

19 Q (BY MR. SAGE, CONTINUING) Mr. Mazuchowski, would you
20 go to your Exhibit S-206 again, please?

21 A Yes.

22 Q Column 3, which says Staff adjusted total Antrim, do
23 you see that?

24 A Yes.

25 Q Am I correct that includes all three categories of

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1 gas?

2 A Yes.

3 Q On Page 13 of your prefiled testimony, on Line 18,
4 you refer to "both companies." Is that a reference
5 to MichCon and NGC or NER?

6 A It refers to MichCon and NER, yes.

7 Q Okay. Have you, as a member of the Staff, received
8 pressure information regarding the Antrim wells in
9 the last few years?

10 A No, we haven't.

11 Q Have you sought that information from anyone?

12 A No, we haven't.

13 Q On Page 14 of your prefiled testimony, Line 10
14 through 14, you make a comparison regarding the June
15 production of the Antrim gas. Do you see that?

16 A Yes.

17 Q In your opinion, is there a relationship between
18 production and proven reserves?

19 A Yes.

20 Q What is that relationship?

21 A Well if you know what your proven reserves are, you
22 should be able to pretty reliably estimate your
23 production rates from those.

24 Q Okay. That relates to -- can you reverse that
25 relationship and if you know your production, you can

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1 tell what the reserves should be?

2 A Well, the production information is just a more
3 specific type of reserve estimate. And ultimately,
4 if you had a production estimate for every year of
5 estimated life of the reserves, such as we have in
6 Exhibit S-206, it's both a reserve estimate and a
7 production estimate.

8 It's just -- you know, usually
9 reserves are a one number estimate like, you know,
10 that well will recover .5 Bcf. But where production
11 just shows you how it recovers that .5 Bcf over time.

12 Q Okay. Let me try it this way so I can understand
13 what you're saying: If you have a well producing for
14 approximately a year, would that give you information
15 to give you an estimate of potential ultimate
16 reserves from that well?

17 A It would help you -- you know, there's different
18 ways -- yes, it would.

19 Q Thank you.

20 JUDGE MACE: We'll take a
21 ten-minute recess at this point.

22 (Whereupon, recess
23 taken at 2:30 p.m.)

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(Whereupon, proceedings

reconvened at 2:40 p.m.)

JUDGE MACE: Well in any event,
let's get back to cross-examination. Now let me
remind you, Mr. Sage, that my estimate, my notes here
show that you were going to be with this witness
approximately 60 minutes.

MR. SAGE: Are we on the record?

JUDGE MACE: Yes, we're on the
record.

MR. SAGE: Oh.

JUDGE MACE: And you may want
to fine tune that, but I'm keeping it in mind,
so . . .

MR. SAGE: I understand, your
Honor.

JUDGE MACE: Okay. Let's go.

Q (BY MR. SAGE, CONTINUING) Mr. Mazuchowski, on Page
14 of your prefiled testimony you reference, on Lines
22 through 25, your belief that the -- any new wells
drilled in excess of the 3700 wells existing in the
Antrim will produce at approximately 92 Mcf per day.
Do you see that?

A No.

Q Okay.

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1 A I said 100.

2 Q I'm sorry. All right. I apologize, you did say
3 100.

4 Now in relationship to the 100,
5 are you aware -- do you keep track of what the
6 production is of new wells in the Antrim?

7 A Well, we keep track of all the wells.

8 Q Okay. And are you aware that wells are being drilled
9 in the Antrim producing on a daily basis up to 200
10 Mcf per day?

11 A Yes, I am.

12 Q Okay. In fact, are you aware of the fact that
13 recently Savoy completed a well in the Antrim that
14 produces 1100 Mcf per day?

15 A No, I wasn't.

16 Q Okay. Have you done any study as to wells being
17 drilled in the Antrim in the year 1994 as to what the
18 average deliverability of those wells were?

19 A For just wells drilled in 1994?

20 Q Correct.

21 A No, I haven't.

22 Q On Page 15 of your prefiled testimony when you arrive
23 at your potential reserves, my understanding is you
24 limit it to 20 years. Am I correct?

25 A Yes.

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1 Q And you are aware that the Antrim wells produce
2 generally longer than -- produce longer than the 20
3 years. Am I correct?

4 A No, I'm not aware of that.

5 Q Okay. Have you been present in this case regarding
6 testimony of reserves by MichCon and -- well, by
7 MichCon?

8 A Yes.

9 Q And are you aware that there was testimony that
10 wells, they expected wells to produce more than 20
11 years?

12 A They had a potential to produce longer than 20 years.

13 Q Right. And you're aware that there are wells out in
14 the Antrim producing almost up to 50 years. Am I
15 correct?

16 A Yes.

17 Q Now on Page 16 of your prefiled testimony, generally
18 I'm looking at, Mr. Mazuchowski, Lines 12 through
19 25. And I think even in an answer earlier in your
20 cross-examination you had indicated that as relates
21 to -- well, strike that.

22 When you refer to no wells in
23 this region capable of producing commercially, on
24 Lines 20 and 21, are you referring to the ccunties of
25 Alpena -- let me do it one at a time -- Alpena?

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1 A I was mostly referring to Alcona County.

2 Q Alcona County itself?

3 A Yes.

4 Q Okay. You are aware there are wells drilled and
5 tested in Alpena; am I correct?

6 A I'm not aware specifically. But apparently there's
7 direction of -- you know, people are going in that
8 direction now.

9 Q Okay.

10 A In the last six months.

11 Q But you're referencing just Alcona in this instance.

12 A Well, I don't know any in Alcona. So I could also
13 include -- or Alpena also. So it could be Alcona and
14 Alpena.

15 Q okay. Were you here when a witness testified -- I
16 think it was Mr. Schneider -- testified that there
17 were wells drilled and completed and tested in
18 Alpena?

19 A That was after I wrote this testimony that that
20 testimony came into the record.

21 Q I appreciate that, and I'm just asking you were
22 you --

23 A Yeah, I am aware.

24 Q Okay. On Page 20 of your prefiled testimony -- and
25 really, it begins on the bottom of 19, Mr.

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1 Mazuchowski, Lines 25 and 26, and carries on to Page
2 20, Lines 1 and 2.

3 A Yes.

4 Q My understanding is that you believe that there's an
5 option whereby gas can go to Blue Lake Storage Field;
6 am I correct?

7 A Yes.

8 Q Have you had any recent conversations with anyone at
9 ANR Storage whether they have the capability of
10 taking additional gas?

11 A No.

12 Q On Page 21 of your prefiled testimony, Lines 10
13 through 14 -- and you were cross-examined a little
14 bit on this, I think, by Mr. Smith or someone else
15 earlier, but I just want to make sure I understand
16 it -- you indicate that Saginaw Bay -- and I assume
17 that's Saginaw Bay Lovells, correct?

18 A Yes, yes.

19 Q And Spartan and CMS are somewhat in competition. Am
20 I correct that they would be in competition as it
21 relates to gas from particular wells which would be
22 in the vicinity of one or more of those? Is that
23 what you're referring to?

24 A Well that, and in addition that Saginaw Bay connects
25 with Spartan. So anything upstream of -- or I guess

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1 anything that's on the Spartan line could flow on the
2 Saginaw Bay line if the price was right.

3 Q That would be anything south of the Spartan
4 pipeline.

5 A Well, no. Anything on the Spartan pipeline that was
6 near the interconnection with Saginaw Bay could just
7 as easily flow onto the Saginaw Bay line as it could
8 continue to go on to the Spartan line and on to the
9 MichCon system.

10 Q Okay. That's one of the contexts you were looking at
11 it as competition?

12 A Yes.

13 Q Okay. Have you made any calculations on behalf of
14 the Staff as to the potential capacity on the Saginaw
15 Bay pipeline?

16 A Fifty million a day is what I estimated.

17 Q Okay.

18 A Would be --

19 Q Likewise -- I'm sorry.

20 A Would be the capacity for moving Antrim gas.

21 Q Okay. And likewise, did you make any study on behalf
22 of the Staff regarding the Spartan pipeline as to its
23 potential capacity?

24 A The numbers that Mr. Phillips testified to was what I
25 was aware of, the 80 million a day, or 70 to 80

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1 million a day number.

2 Q Okay. And that's based on certain pressure criteria
3 that he provided when I cross-examined him? You
4 would be in agreement with that?

5 A Yes.

6 Q Would you refer to Exhibit S-205, please?

7 A Yes.

8 Q And Mr. Mazuchowski, you have a line item of total
9 wells, and you've got 6161 wells. Do you see that?

10 A Yes.

11 Q Now, would I be correct in subtracting the -- your
12 earlier figure of 3700 wells to arrive at what you
13 expect to be the new wells?

14 A Well, this 6161 number is based on what NER
15 projected. But that would be true.

16 Q Okay. Subtract your 37, and that would give you what
17 you believe would be the new wells potentially.

18 A The potential, yes.

19 Q Okay. Would you now refer to Exhibits S-207 and
20 S-208? This is purely a matter of clarification.

21 On 207, you have a line item of
22 shrinkage and fuel for CO2 removal of 45 million per
23 day. Do you see that?

24 A Yes.

25 Q And then on 208, you have a line item, two line

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1 items -- well no, I'm sorry, one line item --
2 shrinkage. Does the shrinkage on 208 refer to
3 pipeline shrinkage versus shrinkage as relates to a
4 CO2 plant removal?

5 A That's the same. It's just that on Exhibit S-207, no
6 shrinkage was taken off of the off-system numbers.
7 So that if you notice, the 130 on S-207 is placed
8 over under the maximum column on 208. So I didn't
9 want to calculate the shrinkage twice.

10 So the minus 5 number only refers
11 to the Saginaw Bay Antrim number so I wouldn't double
12 count the shrinkage. So the 130 number includes the
13 shrinkage off the -- the 590 minus off-system gas.
14 So it includes -- the shrinkage is already included
15 in it.

16 Q Okay.

17 A So that minus 5 is the same shrinkage that was done
18 here on S-207, just done for completeness for Antrim
19 shrinkage on the Antrim volume from Saginaw Bay.

20 Q Okay. Now on Exhibit S-208, you have a footnote
21 regarding Great Lakes and unlimited backhaul.

22 A Yes.

23 Q In your opinion, there's no, obviously no limitation
24 on backhauling on Great Lakes?

25 A Not in the context of these numbers we're talking

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1 about here.

2 Q Okay. One last question. If you'd refer to Exhibit
3 S-210 for a moment, please?

4 A Yes.

5 Q You gave an explanation as relates to the location of
6 the Terra-Hayes line and the Jordan Valley C02
7 plant. Is the Jordan Valley C02 plant constructed
8 today?

9 A It's being constructed as we speak.

10 Q Okay. And you made the statement -- and I just want
11 to make sure I understand what you meant by it --
12 that the -- I thought you said the MichCon dry system
13 was connected to the Jordan plant.

14 A The MichCon dry pipeline system would be connected to
15 the Jordan Valley pipeline system, in two places.

16 Q Okay, right. I understand what you're saying now.
17 Because you're saying it was connected to the Jordan
18 pipeline, and that Jordan pipeline is obviously
19 connected to the Jordan plant, or proposed plant.

20 A The Jordan Valley pipeline, yes.

21 Q All right, that answers that.

22 MR. SAGE: Thank you, Your
23 Honor. Did I meet my deadline?

24 JUDGE MACE: Close enough. Let's
25 see here. Mr. O'Connell.

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MR. O'CONNELL: Thank you.

CROSS-EXAMINATION

BY MR. O'CONNELL:

Q Mr. Mazuchowski, could you stay on Exhibit S-210, please?

A Yes.

Q You indicated the Wilderness location would be seven miles above Goose Creek.

A Yes.

Q Would that be where -- and let's go on the lines running up and down below the box that says proposed South Hayes plant. The first one on the left is Great Lakes. That's a little dotted line, right?

A Yes.

Q And then the one in the middle is the Staff proposed pipeline. And the one to the farthest right is the existing wet header.

My question is, if I wanted to place an "X" for Wilderness, would that be at the intersection of the -- going down the Great Lakes line from the South Hayes box to a point where it is intersected by, I believe it is a Consumers Power line coming out of Kalkaska?

A It would be between -- it would be between the ANR pipeline and the -- where it goes off into Kalkaska

and the intersection of where the wet header ~~is~~ well
between the South Hayes plant and the ANR pipeline.

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1 Q Okay. Well, okay. Then I'm confused.

2 Let's look at the box Kalkaska
3 plant. Maybe I'm just reading the scale wrong. Is the
4 first line that comes out there toward the top from the
5 Kalkaska plant, is that an ANR or CPCo line?

6 A That's an ANR pipeline.

7 Q ANR. So it's --

8 A The line that flows between the Great Lakes pipeline and
9 Kalkaska, the top line.

10 Q Yes.

11 A Is ANR pipeline.

12 Q I'm sorry then. I couldn't tell if those were dots or
13 dashes in between.

14 A That is in that area.

15 Q The next one is out from the Kalkaska plant, that's the
16 wet header, correct?

17 A Right.

18 Q The bottom one that goes from the Kalkaska down to your
19 box called Gillow, is that ANR also?

20 A No. The next two -- if you start again with the top
21 one, it's ANR, the second one is wet header, the third
22 one with the 145 Q is a Consumers Power line and the
23 bottom one is a Consumers Power pipeline.

24 Q Where spatially on this schematic would I find this site
25 that we've had in the record called Deward?

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1 a Deward would be right where the ANR pipeline
2 interconnects with the Great Lakes pipeline.

3 Q The first time? Oh, that one --

4 A Well, I guess you're correct. There's ANR pipeline that
5 runs from South Chester to Great Lakes, and then there's
6 an ANR pipeline that runs from Great Lakes to Kalkaska.
7 It would be the bottom ANR line would be the Deward
8 interconnection.

9 P And where spatially on this schematic would we find Blue
10 Lake?

11 A Blue Lake would be between the Deward interconnect and
12 Kalkaska.

13 Q Thank you. Staying with Exhibit S-10 --

14 JUDGE MACE: It's S-210.

15 MR. O'CONNELL: S-210, I'm sorry.

16 Q (BY MR. O'CONNELL, CONTINUING) Please I would invite
17 your attention to Exhibit S-208. And using for example,
18 the Staff's expected flow column on 208, toward the
19 bottom, the fourth number up, you have a CPC capacity of
20 185. Do you see that?

21 A Yes.

22 Q And is the 185 capacity, how is that reflected on S-210?
23 Where would that capacity be?

24 A That capacity would be on the lines that are Consumers
25 Power lines between M-72, Kalkaska and Gillow.

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1 So it's a 12 inch pipeline between
2 Kalkaska and Gillow that runs, that diagonal line, and
3 there's a 12 inch line that runs between Kalkaska and
4 M-72 and also down to Gillow, and it would also be a
5 short little 12 inch line between Goose Creek and M-72.

6 Q If I look at S-210, however, Mr. Mazuchowski, I'm trying
7 to see. I have just above Gillow, the number 133 Q.
8 Now is that related to Consumers Power?

9 A Yes. This number doesn't show -- this exhibit doesn't
10 show 185 but --

11 Q Thank you. That's --

12 A But it could if you just took some of the gas that flows
13 -- that I have shown here that flows off Kalkaska, there
14 would be no reason why it would have to go to MichCon.

15 You could have some of that gas go
16 to Consumers Power Company and just subtract some of the
17 127 and increase the 18.

18 So these aren't capacity numbers
19 that have to go. Like the 127 doesn't have to go to
20 MichCon. You can put more gas to go to Consumers and
21 less to go to MichCon, and then you'd have 185 million a
22 day.

23 Q Okay. In order to increase that 18 Q that you have on
24 S-210 running diagonally down from the Kalkaska plant
25 through a Consumers line, does that require compression

1 at Kalkaska?

2 A The 185 million number would require some compression at
3 Kalkaska.

4 P And in order to --

5 A But it would be -- not any incremental compression there
6 that they aren't already there.

7 Q They're already using compression --

8 A Yes.

9 Q -- at Kalkaska to push gas down this line to Gillow?

10 A That's correct.

11 Q Would they in order to arrive at under 5-208, the
12 maximum case to have CPC capacity at 225, would that
13 require incremental compression?

14 A No, it wouldn't.

15 P What's the basis for saying that?

16 A The basis is the discovery question in Exhibit 10527
17 (sic) that Consumers calculated that they could flow
18 with all the horsepower that Amoco has, they could flow
19 up to 255 million a day on their system, which --
20 actually estimated between 225 and 255. And I selected
21 the lower number, which would require about 10 thousand
22 horsepower from Amoco.

23 3 Ten thousand horsepower?

24 A Yes, 10 thousand 500.

25 2 Mr. Mazuchowski, Michigan Consolidated was not a party

1 to that case and I wonder if through your counsel you'd
2 be so kind to get a -- if I could receive a copy of that
3 discovery request?

4 A Yes, we can provide that.

5 MR. DERENGOSKI: We'd be happy to
6 accommodate that, certainly.

7 MR. O'CONNELL: Thank you.

8 Q (BY MR. O'CONNELL, CONTINUING) Now, does that
9 compression through the Amoco plant, is there a charge
10 for that?

11 A Yes, there is.

12 Q Okay. Do you know what the rate is, sir?

13 A It could be as high as like 13 or 14 cents.

14 Q So in order to get to Staff's expected flow at 185 or t
15 the maximum flow, there would be these compression
16 charges incurred by someone, correct?

17 A Not through the expected, no.

18 Q Not through the expected.

19 Is compression required presently to
20 get the 18 Q from Kalkaska to Gillow?

21 A No.

22 Q How much does that 18 Q need to be increased before
23 compression would have to be kicked on at Kalkaska?

24 A I don't know.

25 Q Staying on Exhibit 210, S-210, we have this line now

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1 drawn between Goose Creek and M-72, a solid line.

2 Is that, sir, the 5.3 or 5.5 miles
3 of loop that has been referred to?

4 A Well, in my case it's just 5.4 miles of 20 inch that
5 I've adjusted. It's been called in 10527 a loop
6 pipeline for Consumers.

7 Q That is the section of pipeline that was approved in U-
8 10527 for Consumers Power Company?

9 A But just to be clear, I'm proposing that MichCon would
10 build it in this scenario, or someone that builds the
11 system between South Chester and M-72, be the owner of
12 that piece of pipeline regardless of what we already
13 have approved in that case, and that case would not then
14 get built.

15 So you know, it wouldn't be like
16 this pipeline and that pipeline both be built in that
17 corridor.

18 Q Correct. I'm understanding that.

19 A Or perhaps, you know, with negotiations, that would have
20 to be done on the Staff proposal that Consumers could
21 ultimately build that piece too, you know, and roll in
22 some kind of rate for that. But it was simpler to
23 design with one company only from South Chester to M-72.

24 Q Was the -- during the course of that proceeding, the
25 Consumers Power proceeding, was this subject of a

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1 transfer assignment or a sale of this pipeline, assuming
2 it were constructed, to Michigan Consolidated ever
3 discussed or reviewed?

4 A No.

5 Q With respect to the 12 inch pipeline that's existing
6 between M-72 going directly to the left to Kalkaska,
7 that's the one that has the 145 Q with an arrow, we just
8 had some discussions with Mr. Sage that there might be
9 an applicable transportation rate for that section of
10 pipeline. Do you recall that?

11 A Yes.

12 Q Do you know if that pipeline has in the past ever
13 transported third party gas?

14 A I don't know specifically.

15 Q Do you know if that pipeline was included in the plant,
16 transportation plant, used to arrive at Consumers Power
17 Company's existing transportation tariffs?

18 A I would assume that it has -- it was.

19 Q You mentioned that it could be subject to either a T-1
20 tariff, T-2 or possibly off-system tariff.

21 Would you agree that T-1 rates are
22 not negotiable?

23 A I believe that's true.

24 And let us assume that T-2 rates are negotiable, Mr.
25 Mazuchowski. You have included on S-209 a replacement

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1 cost of 7,600,0001

2 A Yes.

3 Q Now, and that in turn through Ms. Devon gets translated
4 as part of approximately a first year 7.6 million dollar
5 cost of service.

6 Having stated that number and
7 working through the cost of service, why -- what reason
8 do you think that Consumers Power Company would
9 negotiate at a rate anything lower than the cost of
10 service that was included in your exhibits?

11 A Well, maybe we would approve that line to be built by
12 somebody.

13 Q Okay. But that would take a period of time then,
14 wouldn't it, the approval process?

15 A Yes.

16 Q Sir, you mentioned in cross-examination regarding your
17 opinion regarding CO-2 treatment facilities which have
18 been previously constructed by the Antrim Limited
19 Partnership, and you mentioned that they were not prompt
20 in designing facilities. Do you recall that?

21 A Yes.

22 Is the expansion of facilities,
23 would you agree that it is a function of the request
24 from those producers who need the CO-2 treating
25 facilities?

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1 A It could be.

2 Q In other words, if no one is asking for it, and is
3 willing to sign a contract for the dollars in order to
4 finance such a construction, you would not expect the
5 operators to construct additions to the plant, correct?

6 A No. I think that it's MichCon's responsibility to
7 uphold their own specifications of two percent
8 regardless of what the producers or owners of the gas
9 want to do, and if that was done from the beginning,
10 that those plants would have been built already.

11 Q Okay. But I'm trying to focus, Mr. Mazuchowski, on
12 your testimony regarding not being prompt in designing
13 facilities.

14 A Well, the gas has been lower -- two percent for three
15 and a half or four years and that's the source of, you
16 know, not being prompt. It's never gone below the two
17 percent design since they started those plants.

18 Q But in order to build plants, it requires capital, it
19 requires money, correct?

20 A Well, there's a lot of ways you could go about it but
21 yes.

22 Q And one of the ways that you suggest is that more
23 producers could be shut in on specifications, gas
24 specification basis, correct?

25 A Yes.

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1 Q Back on -- strike that. It's been asked.

2 There was discussion regarding the
3 interruptible versus firm transportation and your
4 comments reflected in your testimony on page 6 toward
5 the bottom of that page, lines 24 and 26.

6 And your response was in your
7 opinion that having the interruptible service
8 unavailable until firm was fully contracted for was
9 discriminatory, and I'm going to -- I'd like to ask you,
10 is this your opinion that it's discriminatory, or is
11 there a law, rule, or regulation which you think applies
12 here?

13 A I think this is my opinion of what Act 9 requires.

14 Q Are you aware that -- strike that.

15 Is there any -- without asking for a
16 legal opinion -- any particular language in Act 9 that
17 you're referring to, if you recall?

18 A I think there is, but I don't recall it off the top of
19 my head.

20 Q There's questions today regarding certification
21 conditioned on construction of carbon dioxide treatment
22 facilities, and I believe that was from Mr. Alsup. You
23 mentioned that you believe that there was a prior
24 Commission order with a CO-2 condition attached to the
25 certification; is that correct?

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1 A Yes.

2 Q Do you recall what case?

3 A Saginaw Bay Lovells extension pipeline case.

4 Q That's very recently, correct?

5 A Yes, very.

6 Q And were there specific limits in that case prescribed
7 by the Commission as to the rate for carbon dioxide
8 treatment?

9 MR. ERICKSON: Your Honor, at this
10 point I'm going to object to the line of questioning on
11 two grounds.

12 First of all, on the ground that the
13 best evidence rule would have the order speak for itself
14 as to what the order prescribes.

15 And second of all, on the ground
16 that if we aren't talking about a fact question under
17 which the best evidence rule which is embodied in MRE
18 1001 is applicable, then we must be talking about a
19 legal conclusion in the Commission's order and it's not
20 appropriate to seek legal conclusions from Mr.
21 Mazuchowski.

22 So for those two reasons, I think
23 I'm objecting to the question.

24 MR. O'CONNELL: I'm not asking for a
25 legal conclusion, and unfortunately, I don't have a copy

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1 of the order. I'm asking if Mr. --

2 JUDGE MACE: I'll allow the answer.

3 THE WITNESS: There's -- in the
4 context that the pipeline was approved, it was
5 contemplated that CO-2 processing -- the order required
6 that CO-2 processing be done and that no rate be charged
7 other than the rate that Saginaw Bay had sought in its
8 application for transportation.

9 Q (BY MR. O'CONNELL, CONTINUING) And as part of its
10 application, and as part of its position on brief, that
11 was Saginaw Bay's position that it would include that,
12 correct?

13 A Yes. It was the competing pipeline application and in
14 that process they informed the Commission that they
15 would do this service at a prescribed -- at no
16 additional charge. And so in that context, the order
17 was written.

18 Q And in that context for a CO-2, you would agree that it
19 was more or less a settlement reached among the
20 competitors in that proceeding, correct?

21 MR. ERICKSON: Objection, Your
22 Honor. That entirely mischaracterizes the order.

23 That order came on extensive hotly
24 debated exceptions and replies to exceptions and to
25 characterize that order as a settlement is absolutely

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1 improper and creates a misleading set of evidence in
2 this record.

3 MR. O'CONNELL: I'll withdraw the
4 question.

5 JUDGE MACE: Very well.

6 2 (BY MR. O'CONNELL, CONTINUING) Now, you also indicated
7 that Staff had not decided whether or not to seek to
8 impose some kind of a similar condition in this
9 proceeding; is that correct?

10 A That's correct.

11 2 When will Staff decide that?

12 A In its brief.

13 2 What considerations are important to Staff to decide
14 whether or not such a condition is imposed or not?

15 A We haven't developed that yet.

16 2 Are there other conditions which Staff is contemplating
17 that have not been expressed in the testimony?

18 A Well, it's so hard with this case, it's a moving target,
19 it seems, you know. Since I wrote this testimony and
20 intervenors have wrote this testimony, things have
21 drastically changed from original application.

22 So basically what I filed as my
23 testimony, if my proposal is adopted, I won't see too
24 many other -- I can't foresee any additional conditions
25 that we would require, but if one of these other

1 proposals that's significantly different than what I
2 have here, you know, we may be recommending, you know,
3 different things, but we haven't got a chance to look at
4 all of them.

5 Q Okay. Fair enough. You also mentioned in your
6 testimony toward the end the issue of producer
7 commitments and signed contracts.

8 Would -- if there are signed
9 contracts or various forms of commitments on this, would
10 that be a consideration as to not imposing conditions,
11 for example?

12 A I'm not sure how that would work in terms of conditions.
13 That would just be an indication of support from the
14 producers of which of these proposals they recommend and
15 we've always tried to work with everybody when we come
16 up with settlement. So I think it would just facilitate
17 settlement.

18 Q Such a settlement, however, would assume 100 percent of
19 the producers on one project or something else?

20 A I suppose to settle, it would have to be that way.

21 Q In regard to a question by Mr. Berkemeier on page 19,
22 line 16, regarding a contract that Consumers -- with
23 Mercury on October 1, 1994, what's the nature of that
24 contract?

25 A Gas purchase contract by Consumers Power Company.

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1 2 For what volumes?

2 A For at least 20 million a day, and then it increases to
3 30 or more in subsequent years.

4 2 In your testimony, Mr. Mazuchowski, you do not recommend
5 the additional proposed 30 inch pipeline looping south
6 of Kalkaska.

7 Now Ms. Devon's testimony right at
8 the end of that says that Staff is willing to consider
9 that looping if there is a producer interest expressed.

10

11 Does Ms. Devon's testimony represent
12 Staff position on this matter?

13 A Well, I think that testimony is in the context that the
14 producers would be willing to pay for that portion of
15 the pipeline, and we may be willing to agree to that
16 portion of the pipeline. But it would be --

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1 Q If --

2 A But it would be -- when we wrote our testimony, we
3 didn't have any indication that -- you know, based on
4 my numbers here, you know, really it isn't needed,
5 but maybe for flexibility purposes, if the producers
6 will be willing to pay for it, that maybe we would
7 approve it, I don't know. You know, something we
8 would consider, but it's hard to say what we would
9 do.

10 Q Well, I think that you're hitting on one of my
11 difficulties in understanding. In your testimony,
12 you indicate that you like to see, in the perfect
13 world, signed contracts from producers for a
14 pipeline, and I'm asking you to assume, if those
15 signed contracts were for a system which included
16 this loop, your testimony just a minute ago said,
17 "Well, Staff would not necessarily favor that loop,
18 even though it was part of a signed contract"?

19 A Yeah, you know, it's really hard to say what we would
20 do with that. If all the producers came in and said,
21 "We need this for flexibility," it would be easier
22 for us to look at our numbers and see where we made a
23 mistake, if we did, or maybe to see why they needed
24 it. If it was just for some contract reasons, you
25 know, in addition to the capacity, they just needed

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1 it for flexibility, I don't think they needed it for
2 capacity, but maybe because of some contractual
3 commitments that I'm not aware of, that maybe we
4 would approve.

5 You know, they haven't shown us
6 that they need it, and I could move the gas onto the
7 system without that pipeline, but -- and I also think
8 that a lot of producers don't want that piece of
9 pipe. But maybe if a group of producers were willing
10 to pay for that pipeline, if three or four of them
11 signed contracts and they were willing to put up the
12 money, that would be themselves paying for it, maybe
13 we would approve it, you know. You know, if there's
14 certain producers that want that pipeline, then they
15 should pay for it, but they shouldn't make everyone
16 pay for it.

17 So you would envision, then, a -- strike that.

18 On page 4, line 25, of your
19 prepared direct testimony, Mr. Mazuchowski, and later
20 I think you indicate that there was modest producer
21 support, in your opinion, reflected in three letters;
22 do you recall that?

23 Is it three letters?

24 Yes.

25 I don't recall the three letters. No, there is

1 modest producer support, yes. There's four letters
2 maybe.

3 Q Well, let's look at page 22, line 2, lines 1 and 2.
4 Here's where I got the three out of 15.

5 A Well, I think the three there is SWEPI, Terra and
6 Wolverine.

7 Q Were those -- is that in reference to attachments to
8 Mr. -- or exhibits to Mr. Wolter's direct testimony?

9 A Actually, I think the three refers to Intervenor
10 testimony in this case, which was SWEPI, Terra and
11 and H.L. Brown, those are the three.

12 Q Well, I don't necessarily want to confuse things, but
13 do you recall seeing in discovery additional letters
14 of support filed, submitted?

15 A Those letters all expired.

16 Q I see.

17 A You know, based on those letters, they had
18 contingencies in them.

19 Q But there were about ten of them?

20 A Yes, -- well, I don't know about ten, there's, you
21 know, over half a dozen, I guess.

22 Q And those were in addition to the three that Mr.
23 Wolter had initially filed with his testimony?

24 A I remember about half a dozen letters in addition to
25 -- well, including the ones that were filed.

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1 Q Turning back to page 5 of your direct testimony, Mr.
2 Mazuchowski -- I'm sorry, on page 7, line 4 and 5?

3 A Yes.

4 Q Do you have a particular reference that MichCon
5 prohibits oil well gas or non-Antrim gas from
6 transportation service on its project?

7 A I believe I do, but it might take me a while to find
8 it.

9 Q Okay, if that could be provided sometime even after
10 we close this session, that would be very good.

11 MR. DERENGOSKI: Hearing Room
12 Request 2?

13 MR. O'CONNELL: Just the basis for
14 the statement on page 7, lines 4 and 5, that MichCon
15 prohibits oil well gas, et cetera.

16 MR. DERENGOSKI: Certainly.

17 MR. O'CONNELL: Thank you, Mr.
18 Derengoski.

19 THE WITNESS: I believe it's based
20 on the wording of the contract and cross-examination
21 of Bill Wolter on the stand.

22 Q (BY MR. O'CONNELL, CONTINUING) Lack to -- and there
23 were some questions on this, and I'll endeavor not to
24 repeat them -- page 5, Mr. Mazuchowski, of your
25 testimony, it's lines 16 through 18. Now, in

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1 cross-examination from Mr. Smith yeeterday, you
2 indicated that you assumed that there was about -- or
3 the capacity of that line was, I believe you
4 indicated, 70 or 80 a day?

5 A Yes.

6 Q And that in terms of wet gas you would reduce that by
7 15 percent?

8 A Yes.

9 Q Okay. Where did you get the 15 percent?

10 A It was just a number that I used -- it was similar to
11 what MichCon proposed in terms of its capacity on the
12 wet header system as a wet line versus 325, and the
13 same pipeline being a dry line at 365. It takes a
14 lot longer and more complicated equation to calculate
15 wet gas flow, and for purposes of my calculation, I
16 felt it was sufficient come up with the seven and
17 seven number and discount it by a factor.

18 Q Okay. So you did not make any assumption into the
19 barrels of liquids or liquid units for the
20 determination that the 12-inch would be sufficient?

21 A It was based on my calculations, some discovery
22 requests that I made to MichCon.

23 Q Okay.

24 A But in terms of the barrels, no, I did not make a
25 determination of the barrels.

1 2 And you agree that the amount of liquids flowing
2 through a pipeline certainly affect capacity
3 available to transport gas?

4 MR. ERICKSON: Your Honor, I'm
5 going to object to the question on the grounds that I
6 think this is needless presentation of cumulative
7 evidence, I think the evidence from Mr. Kurmas, Mr.
8 O'Connell's own witness, indicates that there's been
9 no dispute about that, and to simply once again get
10 Mr. Mazuchowski to say the same thing that's in the
11 record several different ways I think is a waste of
12 time.

13 MR. O'CONNELL: I didn't think it
14 was a waste of time.

15 JUDGE MACE: I'm overruling the
16 objection, I'll allow the answer.

17 THE WITNESS: Could you repeat the
18 question?

19 MR. O'CONNELL: Sure, Mr.
20 Mazuchowski.

21 2 (BY MR. O'CONNELL, CONTINUING) The amount of liquids
22 flowing through a pipeline affect the capacity in
23 that line available for gas transportation, would you
24 agree?

25 Yes.

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1 Q Okay, thank you. Could you please turn to page 11,
2 lines 24 through 261 Specifically you say, "Staff's
3 proposal would significantly increase the amount of
4 Antrim gas capable of reaching markets," Focusing on
5 the words "significantly increase," and I'm asking
6 you, from what to what? What is the increase from
7 and to?

8 A Well, it would be -- specifically in the MichCon
9 proposal, they had a small number going to Consumers
10 Power Company, and it would increase that number
11 going to market, also it made for more direct
12 connection to -- or maybe a more clear connection to
13 the Great Lakes market, so it would be those two
14 markets that I'm referring to.

15 Q Okay. And with respect to the Consumers, gas market
16 of Consumers, if I could refer on that point back to
17 your Exhibit S-210, that's your schematic?

18 A Yes.

19 Q You have gas being taken off at M-72, as we come down
20 we have 268Q between Goose Creek and M-72, correct?

21 A Yes.

22 Q And then 145 of that goes to Kalkaska, and the rest,
23 then, continues along its path using Consumers,
24 correct?

25 A Yes.

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1 Q Is there any indication that Consumers wants or needs
2 that amount of gas beyond that which MichCon had
3 initially proposed?

4 A No.

5 Q Okay. Could you please turn to page 16?

6 A Yes.

7 Q Lines 6 through 8, and I believe -- I hope we haven't
8 beat this to death. We're talking about the
9 incremental capacity that can be added to other
10 systems at a cost less than what MichCon is
11 proposing. I believe you mentioned Jordan Valley,
12 that being one of the systems that could be
13 increased; is that correct?

14 A Yes.

15 Q Okay. Do you know how much -- have you done any
16 studies that would compare the incremental costs of
17 expansions there versus what MichCon could do?

18 A No.

19 Q Okay. On page 17, Mr. Mazuchowski, I'd like you to
20 look at lines -- focus on lines 14 through 16. There
21 you talk about providing Antrim producers with more
22 compression at Kalkaska. Earlier you testified that
23 your proposal was neutral as to compression?

24 You want me to explain that?

25 Q Yes, I really do.

1 A I think that I said that my expected -- well, as
2 depicted here on the S-210.

3 Q Yes.

4 A There would be no compression required by Consumers
5 Power Company to flow that much gas on the Consumers
6 Power Company. And so, in that respect, all the
7 compression they're using now would become available
8 to anyone that wanted to use it.

9 Q At a price?

10 A Right, but it still would become available.

11 Q How much compression are they using now in terms of
12 horsepower, or percentage of the ten thousand --

13 A I'm not sure, it's probably a small percentage of
14 that compression they're using now.

15 Q So there wouldn't be much, if any, much compression
16 freed up by Staff's proposal?

17 A Well, on the contrary, the compression's there that
18 MichCon hasn't used, that's free, plus the stuff that
19 I'd free up here.

20 Q Okay. I just missed the last point, the compression
21 that MichCon has for free?

22 A There's 10,500 horsepower that Amoco has, and MichCon
23 didn't design that into their equation to use, and
24 only a little bit of that is being used of that right
25 now by Consumers, so that's still available to anyone

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1 to use. Plus there's the stuff that I make available
2 by the design on S-210, which is in addition to
3 what's there, you know, that's being used by
4 Consumers that wouldn't be needed anymore by
5 Consumers. So in effect, all the compression would
6 become available at Kalkaska under this S-210 design.

7 Now, if you wanted to force more
8 gas onto Consumers Power's system instead of MichCon,
9 you would then need to use some of that compression
10 that isn't being used at Kalkaska. So it depends
11 where you want that gas to go. If you wanted 225
12 million a day to go on Consumers' system, then you
13 would need some of that compression that's there at
14 Kalkaska. If you just want 150 or so, like I show on
15 S-210, you wouldn't need any compression at Kalkaska
16 by Consumers.

17 Q Well, I'm interested on that point, if -- I'm trying
18 to trace the path of the gas and to find out which
19 needs compression and which doesn't, under this
20 scenario. If under the 225 case flowing to Consumers
21 Power, again, in relation to Exhibit S-210, you have
22 268 million a day coming down from Goose Creek. And
23 if I'm a producer, and I want my gas to continue down
24 M-72, because I don't want to pay compression costs
25 at Kalkaska, does that seem like a reasonable

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1 approach? How do I -- how do you envision who pays
2 for compression and who doesn't?

3 A Well, currently there's only 100 million a day moving
4 on Consumers' system, so there's at least 50 million
5 -- or 50 more that would be available that no one
6 would have to take compression on.

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1 Q Okay. I'm asking on the 51st Mcf.

2 A Well that would have to be worked out with Amoco,
3 which Consumers **is** trying to do currently.

4 Q Thank you. I'd like you to turn to your Exhibit, Ms.
5 Mazuchowski, S-208, please.

6 A Yes.

7 Q There at the bottom -- and we've touched on it
8 before -- you state Great Lakes has almost unlimited
9 backhaul. And would you agree that, first of all,
10 the backhaul is for certain times of the year?

11 A NO.

12 Q Okay. In regard to backhaul, let me try to use
13 Exhibit S-210. And a backhaul, using that exhibit,
14 would have, **for** example, at Goose Creek or Wilderness
15 or any point along the Great Lakes line running north
16 and south, a backhaul, would you agree, **would** work as
17 follows:

18 I would have 100 units, 100 Mcf
19 of **gas** injected in the line, Great Lakes line at
20 Goose Creek. And in turn, somewhere north, beyond
21 this map, which goes through the upper peninsula and
22 parts beyond there, that Great Lakes in turn would be
23 dropping **off** that same **100** units **to a** market up
24 there?

25 A Right.

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MAZUCHOWSKI CROSS O'CONNELL

1 Q okay. Now in order for that to work, you need a
2 market. Is that correct?

3 A That's correct.

4 Q Do those receipt points for that 100 units of gas to
5 be dropped off somewhere up north, do they have
6 unlimited capacity?

7 A In aggregate, in the context of these volumes, they
8 would. Individually, they don't.

9 Q Individually, they don't.

10 MR. O'CONNELL: That concludes my
11 questions.

12 JUDGE MACE: Redirect?

13 MR. DERENGOSKI: Your Honor, if
14 we could have just a few minutes.

15 JUDGE MACE: Very Well. We'll
16 take ten minutes, actually.

17 (Whereupon, recess

18 taken at 3:51 p.m.)

19 (Whereupon, proceedings

20 reconvened at 4:09 p.m.)

21 JUDGE MACE: Back on the record.

22 I understand Staff has some redirect.

23 MR. DERENGOSKI: Yes, very
24 briefly, Your Honor.

25 REDIRECT EXAMINATION

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1 BY MR. DERENGOSKI:

2 Q Mr. Mazuchowski, in response to some questions from
3 Mr. Sage, you generally agreed that you would not
4 oppose some additional CO2 treatment at Kalkaska. In
5 considering that answer further, would you like to
6 elaborate as to any preferences you might have with
7 respect to South Hayes and Kalkaska as alternate
8 sites for that?

9 A Yes. I think between those two locations, Kalkaska
10 and South Hayes, we prefer to have it at South Hayes,
11 but . . .

12 Q Mr. O'Connell asked you whether or not you knew
13 whether Consumers Power had interests in transporting
14 gas on its system south of Goose Creek, and your
15 answer originally was no.

16 Have you -- would you like to add
17 to that answer or change it?

18 A Yes. I think that the Consumers Power application in
19 10527 indicates their support or their willingness to
20 transport gas on their pipeline system.

21 In addition, I believe that the
22 best net back price that a producer could get would
23 be to use existing capacity rather than develop new
24 capacity and have to pay for that in addition to its
25 rates.

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MAZUCHOWSKI REDIRECT DERENGOSKI

1 Q Also, Mr. Sage asked you some questions concerning
2 Exhibit S-206 on Column 3. And in that column,
3 especially with respect to the 510 figure that's used
4 at Lines 2, 3, 4 and 5, he asked you whether or not
5 that included reserves that were proven, probable and
6 only potential, and you answered yes.

7 Would you like to clarify that
8 answer?

9 Yes. I would just like to state that in that Column
10 3, that the reserves that are in there are 100
11 percent of the proved reserves, 50 percent of the
12 probable reserves, and 25 percent of the potential
13 reserves.

14 MR. DERENGOSKI: No further
15 redirect, Your Honor.

16 JUDGE MACE: Mr. Schmiede?

17 MR. SCHMIEGE: No questions, Your
18 Honor.

19 JUDGE MACE: Mr. Erickson?

20 MR. ERICKSON: No questions, Your
21 Honor.

22 JUDGE MACE: And Mr. Burgess?

23 MR. BURGESS: No questions, Your
24 Honor.

25 JUDGE MACE: Ms. Dixon?

1

MS. DIXON: No questions.

2

JUDGE MACE: Mr. Gallagher?

3

MR. GALLAGHER: None, Your

4

Honor.

JUDGE MACE: Mr. Berkemeier?

MR. BERKEMEIER: No questions,

Your Honor.

JUDGE MACE: Mr. Fields?

MR. FIELDS: None, Your Honor.

JUDGE MACE: Mr. Ault?

MR. AULT: None, Your Honor.

JUDGE MACE: Mr. Sage?

MR. SAGE: None, Your Honor.

JUDGE MACE: And Mr. O'Connell.

MR. O'CONNELL: None.

JUDGE MACE: Is there any

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objection to the admission of proposed Exhibits S-205
through S-210? Hearing no objection, I'll admit
those exhibits.

Then Mr. Sage, I think, had asked
to be marked an Exhibit I-211. Did you offer that in
evidence?

MR. SAGE: I did not, Your Honor,
but I would do that at this time.

JUDGE MACE: Is there any

1 objection to the admission of that proposed exhibit?

2 Hearing no objection, I'll admit that exhibit.

3 Thank you, Mr. Mazuchowski.

4 You're excused.

5 THE WITNESS: Thank you.

6 (Whereupon, the
7 witness was excused.)

8 JUDGE MACE: Let's deal now on
9 the record with the matter of scheduling. We do have
10 three days of hearing next week, as I recall. But
11 then the question has become whether or not to change
12 the briefing schedule and the subsequent scheduling.

13 And the following schedule has
14 been arrived at: Briefs will now be due on October
15 12th, reply briefs on November 2nd. A proposal for a
16 decision on November 30th. Exceptions due on
17 December 21st, and replies to exceptions on January
18 12th.

19 And it's my understanding that
20 Mr. Fields, on behalf of his client in another case,
21 will be making a request for a similar change of
22 schedule. Is that right, Mr. Fields?

23 MR. FIELDS: Yes, Your Honor,
24 that is correct. We will ask for, similarly, a
25 two-week change in the day for the brief and for

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1 the -- a similar change in the reply brief dates so
2 it will correspond to this case. And we are hopeful
3 that we will have Judge Hollenshead approve that.

4 JUDGE MACE: Okay. I'll talk to
5 him. If he doesn't want to, we'll sort it out in our
6 office.

7 MR. FIELDS: I'll advise him of
8 that.

9 JUDGE MACE: Okay. Is there
10 anything else that we need to discuss before we
11 adjourn?

12 MR. AULT: Have we finalized the
13 order of witnesses for Monday?

14 JUDGE MACE: Well, my
15 understanding is that order is Kr. Myler, Mr. Carl,
16 Mr. Cieslak, Mr. Kurmas and Mr. Wolter.

17 MR. AULT: And we start at nine
18 o'clock?

19 JUDGE MACE: And we start at nine
20 o'clock on Monday, the 12th. Anything else?

21 MR. ERICKSON: On that order of
22 witnesses, since Mr. Cieslak gets numbers that he
23 works with from rate development -- I can deal with
24 it in either order. But I just wondered if MichCon
25 would want to think about having him go last as Mr.

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